GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

STARRED QUESTION NO:2
ANSWERED ON:26.02.2007
SHORTAGE OF FERTILIZERS
Patle Shri Shishupal Natthu;Rawat Prof. Rasa Singh

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the demand and supply of fertilizers recorded in the country during 2006-07 ;

(b) whether there is shortage and delay in availability of fertilizers for the ongoing Rabi seasons ; (

(c) if so, the details and the reasons therefore;

(d) whether the Government has formulated any new scheme to resolve the problems as reported in the Dainik Jagran dated January 30, 2007;

(e) if so, the details thereof and the action taken thereon;

(f) whether any assessment has been made in regard to the expenditure likely to be incurred on the said scheme; and

(g) if so, the details thereof ?

Answer

THE MINISTER OF THE STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS AND MINISTER OF STEEL (SHRI RAM VILAS PASWAN)

(a)to (g):

A statement is laid on the table of the House.-

Statement referred to in reply to part (a) to (g) of Lok Sabha Starred Question No. 2 to be answered on 26.02.2007

(a): While the Demand, availability and sale of fertilizers in the country during 2006-07(, upto January`07) were as follows, sufficient availability of fertilizers was ensured by the Department of Fertilizers in each of the months in Kharif and Rabi at the state level:

01.04.2006 to 31.01.2007(in lakh MT)

Product	Demand (assessed before the season)	Availability	Sales
Urea	223.12	222.94	208.71
DAP	73.46	77.79	62.09
MOP	28.44	22.76	20.06

(b) & (c) : Shortages at the local levels were reported in some states. Urea is the only fertilizer whose movement and distribution is under the partial control of the Government of India (GOI). GOI is responsible for supplying urea up to the state level. It is the responsibility of the state governments to ensure distribution of fertilizers as per local demand within the state.

(d) to (g): The Government has approved the New Pricing Scheme(NPS) Stage III on 1.02.2007 to be implemented w.e.f. 1.10.2006. Under the NPS III, the movement of urea will be monitored throughout the country by an on- line web based monitoring system. The subsidy on urea will be paid only when urea reaches the district. Further, the Department will operate a buffer stock through the State Institutional Agencies/fertilizer companies in major consuming states up to a limit of 5% of the seasonal requirement.

As far as decontrolled Phosphatic and Potassic fertilizers are concerned, subsidy is released on sale of fertilizers. The responsibility

of meeting the full requirement of decontrolled fertilizers in any state is with the concerned state governments. State governments have been advised to identify at least one State Institutional Agency which would deal with the required quantities of decontrolled fertilizers. Buffer stocking of decontrolled fertilizers by the Government of India would be made only to meet any emergent requirement. To ensure availability of urea in the remotest corners of the country, the freight reimbursement to urea units will now be on actual rail and road leads. The total additional impact of this provision is estimated at Rs.99.98 crores per annum.